FORM 3

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL

1. WELL NAME and NUMBER
Chapita Wells Unit 1350-27

2. TYPE OF WORK
DRILL NEW WELL (●) REENTER P&A WELL ( ) DEEPEN WELL ( )

3. FIELD OR WILDCAT
NATURAL BUTTES

4. TYPE OF WELL
Gas Well Coalbed Methane Well: NO

5. UNIT or COMMUNITIZATION AGREEMENT NAME
CHAPITA WELLS

6. NAME OF OPERATOR
EOG RESOURCES INC

7. OPERATOR PHONE
(435) 781-9111

8. ADDRESS OF OPERATOR
1060 E HIGHWAY 40 , VERNAL , UT, 84078

9. OPERATOR E-MAIL
kaylene_gardner@eogresources.com

10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)
U-0285-A

11. MINERAL OWNERSHIP
FEDERAL (●) INDIAN ( ) STATE ( ) FEE ( )

12. SURFACE OWNERSHIP
FEDERAL (●) INDIAN ( ) STATE ( ) FEE ( )

13. NAME OF SURFACE OWNER (if box 12 = 'fee')
FEDERAL

14. SURFACE OWNER PHONE (if box 12 = 'fee')

15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')
, , UT

16. SURFACE OWNER E-MAIL (if box 12 = 'fee')

17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')

18. INTEND TO COMMINGLE PRODUCTION DOWNSTREAM
YES ( ) (Submit Commingling Application) NO (●)

19. SLANT
VERTICAL (●) DIRECTIONAL ( ) HORIZONTAL ( )

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1229 FNL 1509 FWL	NENW	27	9.0 S	22.0 E	S
Top of Uppermost Producing Zone	1229 FNL 1509 FWL	NENW	27	9.0 S	22.0 E	S
At Total Depth	1229 FNL 1509 FWL	NENW	27	9.0 S	22.0 E	S

21. COUNTY
UINTAH

22. DISTANCE TO NEAREST LEASE LINE (Feet)
1229

23. NUMBER OF ACRES IN DRILLING UNIT
1800

25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)
830

26. PROPOSED DEPTH
MD: 9420 TVD: 9420

27. ELEVATION - GROUND LEVEL
4953

28. BOND NUMBER
NM 2308

29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE
49-225(A31368)

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORCANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

- [x] WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- [x] COMPLETE DRILLING PLAN
- [ ] AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)
- [ ] FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
- [ ] DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)
- [x] TOPOGRAPHICAL MAP

NAME Kaylene Gardner	**TITLE** Lead Regulatory Assistant	**PHONE** 435 781-9111
SIGNATURE [signature]	**DATE** 09/13/2007	**EMAIL** kaylene_gardner@eogresources.com
API NUMBER ASSIGNED	**APPROVAL**	

Approved by the Utah Division of Oil, Gas and Mining

Date: 09-17-07

By: [signature]

Federal Approval of this Action is Necessary

FORM 3

AMENDED REPORT ☐

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL	
	1. WELL NAME and NUMBER Chapita Wells Unit 1350-27
2. TYPE OF WORK DRILL NEW WELL (●) REENTER P&A WELL ( ) DEEPEN WELL ( )	**3. FIELD OR WILDCAT** NATURAL BUTTES
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO	**5. UNIT or COMMUNITIZATION AGREEMENT NAME** CHAPITA WELLS
6. NAME OF OPERATOR EOG RESOURCES INC	**7. OPERATOR PHONE** (435) 781-9111
8. ADDRESS OF OPERATOR 1060 E HIGHWAY 40 , VERNAL , UT, 84078	**9. OPERATOR E-MAIL** kaylene_gardner@eogresources.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) U-0285-A	**11. MINERAL OWNERSHIP** FEDERAL (●) INDIAN ( ) STATE ( ) FEE ( )
	12. SURFACE OWNERSHIP FEDERAL (●) INDIAN ( ) STATE ( ) FEE ( )
13. NAME OF SURFACE OWNER (if box 12 = 'fee') FEDERAL	**14. SURFACE OWNER PHONE (if box 12 = 'fee')**
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') , , UT	**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')	**18. INTEND TO COMMINGLE PRODUCTION DOWNSTREAM** YES ( ) (Submit Commingling Application) NO (●)
	19. SLANT VERTICAL (●) DIRECTIONAL ( ) HORIZONTAL ( )

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1229 FNL 1509 FWL	NENW	27	9.0 S	22.0 E	S
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21. COUNTY UINTAH	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 1229	**23. NUMBER OF ACRES IN DRILLING UNIT** 1800
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 830	**26. PROPOSED DEPTH** MD: 9420 TVD: 9420
27. ELEVATION - GROUND LEVEL 4953	**28. BOND NUMBER** NM 2308	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** 49-225(A31368)

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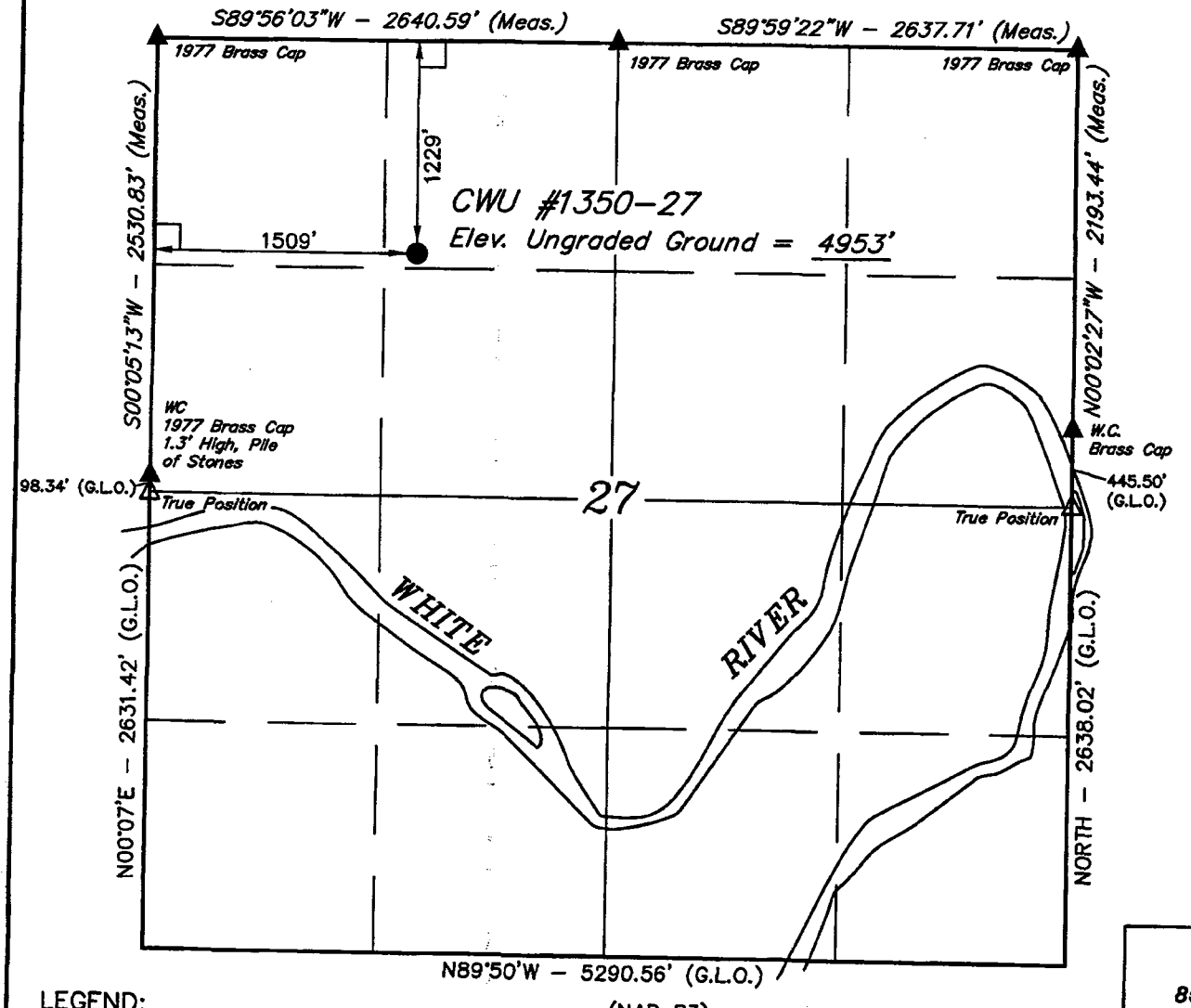
☑ **WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER**	☑ **COMPLETE DRILLING PLAN**
☐ **AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)**	☐ **FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER**
☐ **DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)**	☑ **TOPOGRAPHICAL MAP**

NAME Kaylene Gardner	**TITLE** Lead Regulatory Assistant	**PHONE** 435 781-9111
SIGNATURE	**DATE** 09/13/2007	**EMAIL** kaylene_gardner@eogresources.com

API NUMBER ASSIGNED 43047500050000 **APPROVAL**

634045 X
4429141 Y
40. 010922
-109. 429475

T9S, R22E, S.L.B.&M.



EOG RESOURCES, INC.

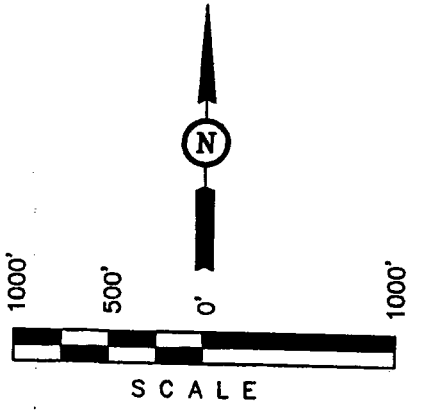
Well location, CWU #1350-27, located as shown in the NE 1/4 NW 1/4 of Section 27, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

└ = 90° SYMBOL
● = PROPOSED WELL HEAD.
▲ = SECTION CORNERS LOCATED.
△ = SECTION CORNERS RE-ESTABLISHED USING DOUBLE PROPORTION METHOD (Not Set on Ground).

(NAD 83)
LATITUDE = 40°00'39.12" (40.010867)
LONGITUDE = 109°25'48.58" (109.430161)
(NAD 27)
LATITUDE = 40°00'39.25" (40.010903)
LONGITUDE = 109°25'46.12" (109.429478)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 07-08-07	DATE DRAWN: 07-13-07
PARTY: G.S. R.W. C.H.	REFERENCES: G.L.O. PLAT	
WEATHER: HOT	FILE: EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1350-27
NE/NW, SEC. 27, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,552		Shale	
Wasatch	4,582		Sandstone	
Chapita Wells	5,188		Sandstone	
Buck Canyon	5,848		Sandstone	
North Horn	6,538		Sandstone	
KMV Price River	7,088	Primary	Sandstone	Gas
KMV Price River Middle	7,959	Primary	Sandstone	Gas
KMV Price River Lower	8,752	Primary	Sandstone	Gas
Sego	9,217		Sandstone	
TD	9,420			

Estimated TD: **9,420' or 200'± below Sego top** Anticipated BHP: 5,144 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1350-27
NE/NW, SEC. 27, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1350-27
NE/NW, SEC. 27, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% $CaCl_2$, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft^3/sk. yield, 23 gps water.

Tail: **207 sks** Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: **131 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: **940 sks**: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft^3/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1350-27
NE/NW, SEC. 27, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

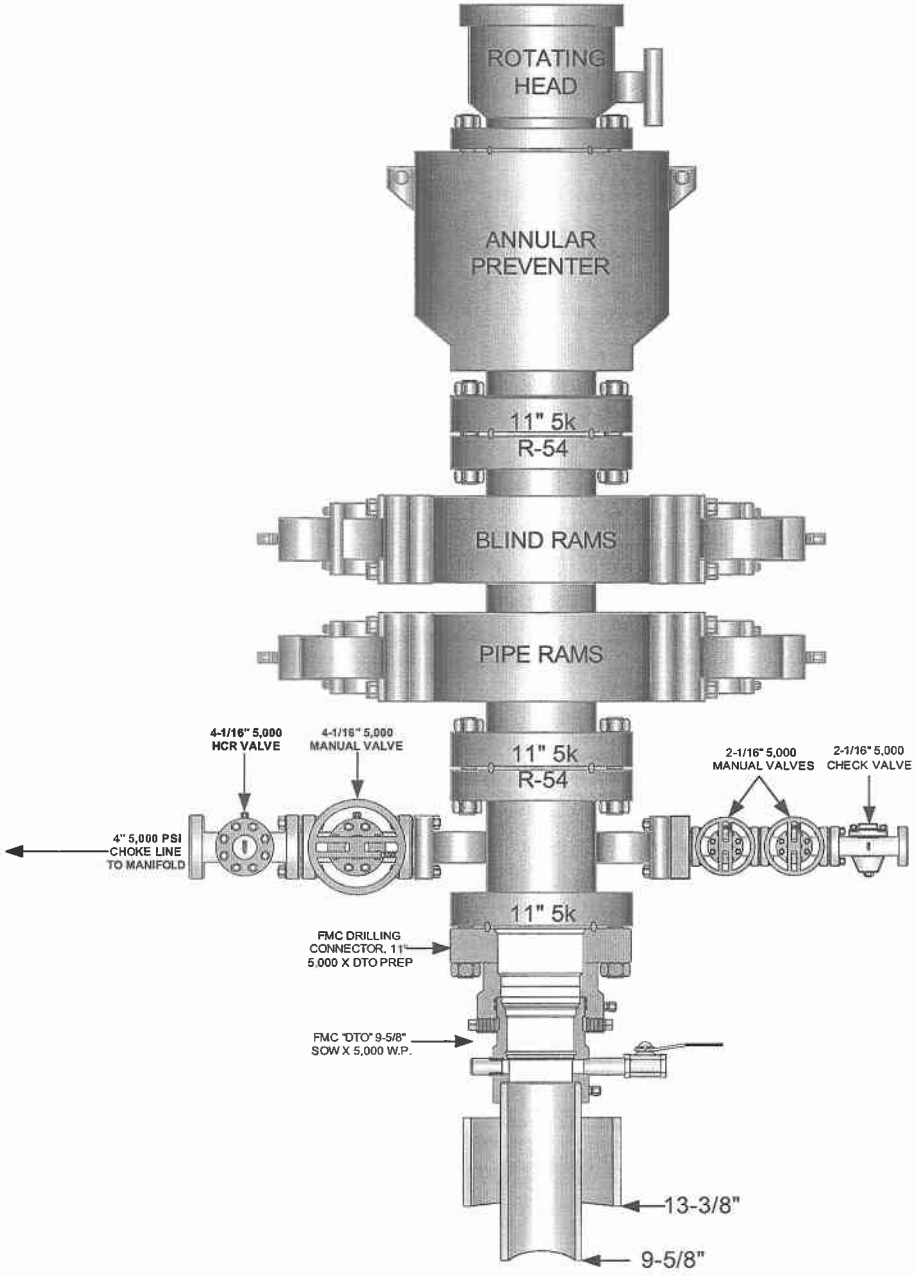
A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

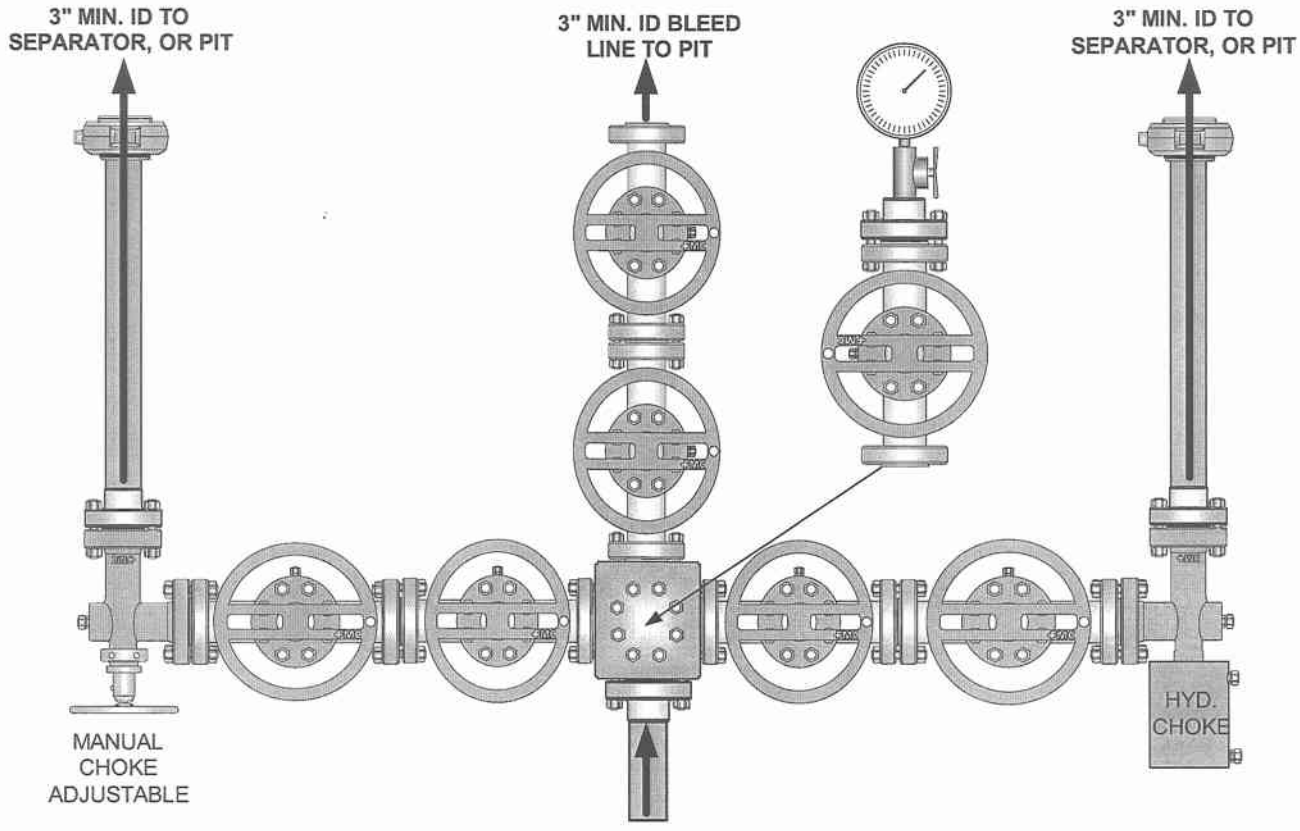
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
   Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

eog resources

Chapita Wells Unit 1350-27
NENW, Section 27, T9S, R22E
Uintah County, Utah

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. New surface disturbance associated with the well pad and access road is estimated to be 2.25 acres. The pipeline is approximately 1097 feet long with a 40-foot right-of-way disturbing approximately 1.01 acres.

1. EXISTING ROADS:

A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 50.4 miles south of Vernal, Utah – See attached TOPO Map "A".

C. Refer to attached Topographic Map "A" showing labeled access route to location.

D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. No new access road will be required the existing access road for plugged and abandoned Chapita Wells Unit 318-27 will be used.

B. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

C. The existing road located on the north edge of the well pad will be re-routed around the proposed location.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining,

graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. *Location of Existing Wells Within a One-mile Radius:*

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. *Location of Existing and/or Proposed Production Facilities:*

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed pipeline will transport natural gas.

2. The pipeline will be a permanent feeder line.

3. The length of the proposed pipeline is 1097' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease U-0285-A) proceeding in a northerly direction for an approximate distance of 1097' to Section 27, T9S, R22E, authorized under existing Chapita Wells Unit 1350-27. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.

4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface

5. Proposed pipeline will be laid on surface.

6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.

7. The proposed pipeline route begins in the NENW of section 27, township 9S, range 22E, proceeding 1097 for an approximate distance of 1097 to the NENW of section 27, township 9S, range 22E.

8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in

threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. *ANCILLARY FACILITIES:*

None anticipated.

9. *WELL SITE LAYOUT:*

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. *Interim Reclamation (Producing Location)*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Fourwing Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for

mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A block cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on Februray 21, 2007 report # MOAC 06-617. A paleontological survey was conducted and submitted by Intermountain Paleo on August 31, 2007 report # IPC 07-176.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, UT 84078
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1350-27 Well, located in the NENW, of Section 27, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

September 9, 2007
Date

Kaylene R. Gardner, Lead Regulatory Assistant

EOG RESOURCES, INC.
CWU #1350-27
SECTION 27, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.35 MILES.

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Cond	17.5	13.375	0	45		
Pipe	**Grade**	**Length**	**Weight**			
	H-40	45	48.0			
	Cement Interval	**Top (MD)**	**Bottom (MD)**			
		0	45			
		Cement Description	**Class**	**Sacks**	**Yield**	**Weight**
			G	0	0.0	0.0

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Surf	12.25	9.625	0	2300		
Pipe	**Grade**	**Length**	**Weight**			
	J-55	2300	36.0			
	Cement Interval	**Top (MD)**	**Bottom (MD)**			
		0	2300			
		Cement Description	**Class**	**Sacks**	**Yield**	**Weight**
			G	185	3.82	11.0
			G	207	1.18	15.6

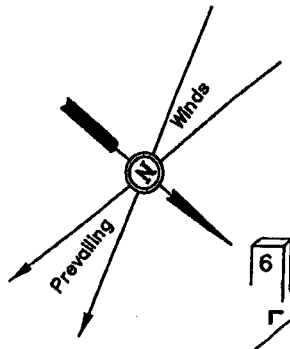
Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Prod	7.875	4.5	0	9420		
Pipe	**Grade**	**Length**	**Weight**			
	N-80	9420	11.6			
	Cement Interval	**Top (MD)**	**Bottom (MD)**			
		4182	9420			
		Cement Description	**Class**	**Sacks**	**Yield**	**Weight**
			G	131	3.91	11.0
			PC	940	1.28	14.1

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1350-27
SECTION 27, T9S, R22E, S.L.B.&M.
1229' FNL 1509' FWL

FIGURE #1



SCALE: 1" = 50'
DATE: 07-12-07
Drawn By: C.H.

C-6.3'
El. 57.9'

Topsoil Stockpile

111'

Round Corners as needed

Sta. 3+75

C-0.7'
El. 52.3'

F-3.8'
El. 47.8'

Approx. Top of Cut Slope

Approx. Toe of Fill Slope

Existing Gully

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

200'

CATWALK

FLARE PIT

PIPE RACKS

C-2.8'
El. 54.4'

C-1.5'
El. 53.1'

F-5.9'
El. 45.7'

C-16.3'
El. 55.9'
(btm. pit)

36'

RIG

DOG HOUSE

150'

Sta. 1+75

75'

MUD TANKS

WATER

TRAILER

PUMP

TOILET

MUD SHED

RESERVE PITS
(12' Deep)

HOPPER

FUEL

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

175'

1:1 1/2 SLOPE

Total Pit Capacity
W/2' of Freeboard
= 14,950 Bbls.±
Total Pit Volume
= 4,030 Cu. Yds

POWER

TOOLS

FUEL

Sta. 0+50

TRASH

F-3.0'
El. 48.6'

STORAGE TANK

F-9.4'
El. 42.2'

C-14.9'
El. 54.5'
(btm. pit)

Sta. 0+00

20' WIDE BENCH

F-1.8'
El. 49.8'

Elev. Ungraded Ground at Location Stake = 4953.1'

Elev. Graded Ground at Location Stake = 4951.6'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

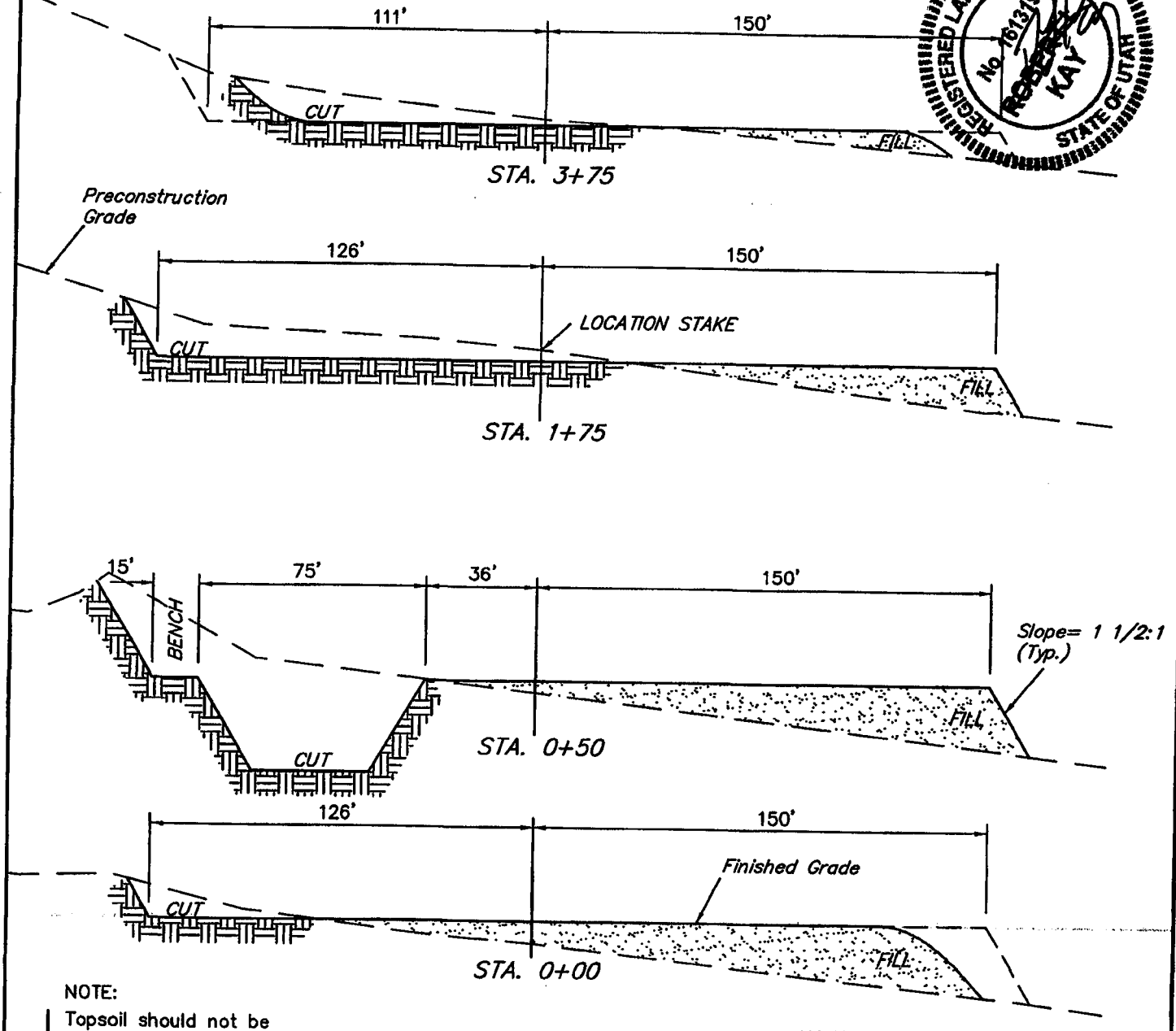
TYPICAL CROSS SECTIONS FOR

CWU #1350-27
SECTION 27, T9S, R22E, S.L.B.&M.
1229' FNL 1509' FWL

FIGURE #2

1" = 20'
X-Section Scale
1" = 50'
DATE: 07-12-07
Drawn By: C.H.

REGISTERED LAND SURVEYOR
No. 161319
ROBERT KAY
STATE OF UTAH



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2,180 Cu. Yds.
Remaining Location	=	9,670 Cu. Yds.
TOTAL CUT	=	11,850 CU.YDS.
FILL	=	7,650 CU.YDS.

EXCESS MATERIAL	=	4,200 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,200 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
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EOG RESOURCES, INC.

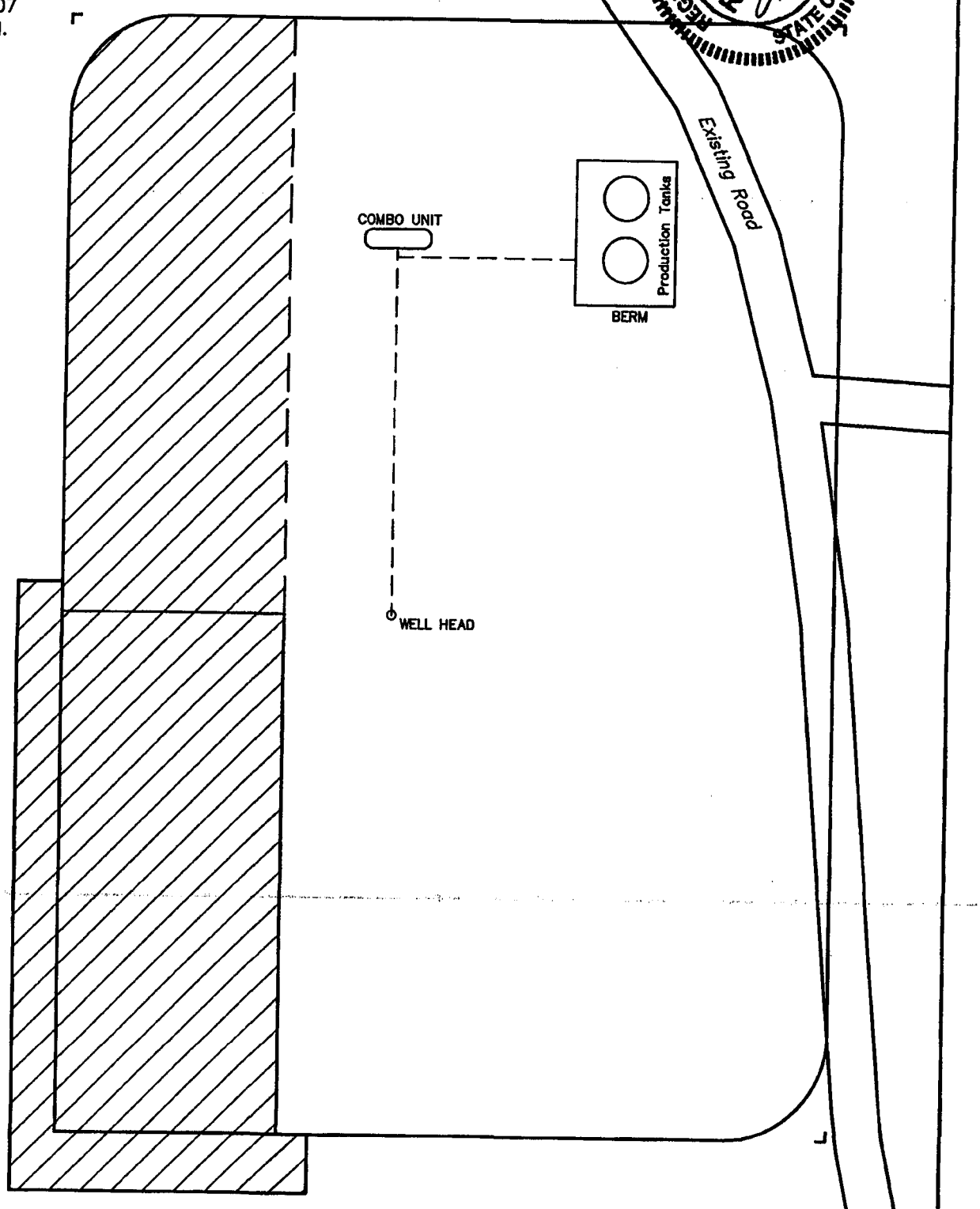
PRODUCTION FACILITY LAYOUT FOR

CWU #1350-27
SECTION 27, T9S, R22E, S.L.B.&M.
1229' FNL 1509' FWL

FIGURE #3

SCALE: 1" = 50'
DATE: 07-12-07
Drawn By: C.H.

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH



RE-HABED AREA

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.

CWU #1350-27

LOCATED IN UINTAH COUNTY, UTAH
SECTION 27, T9S, R22E, S.L.B.&M.

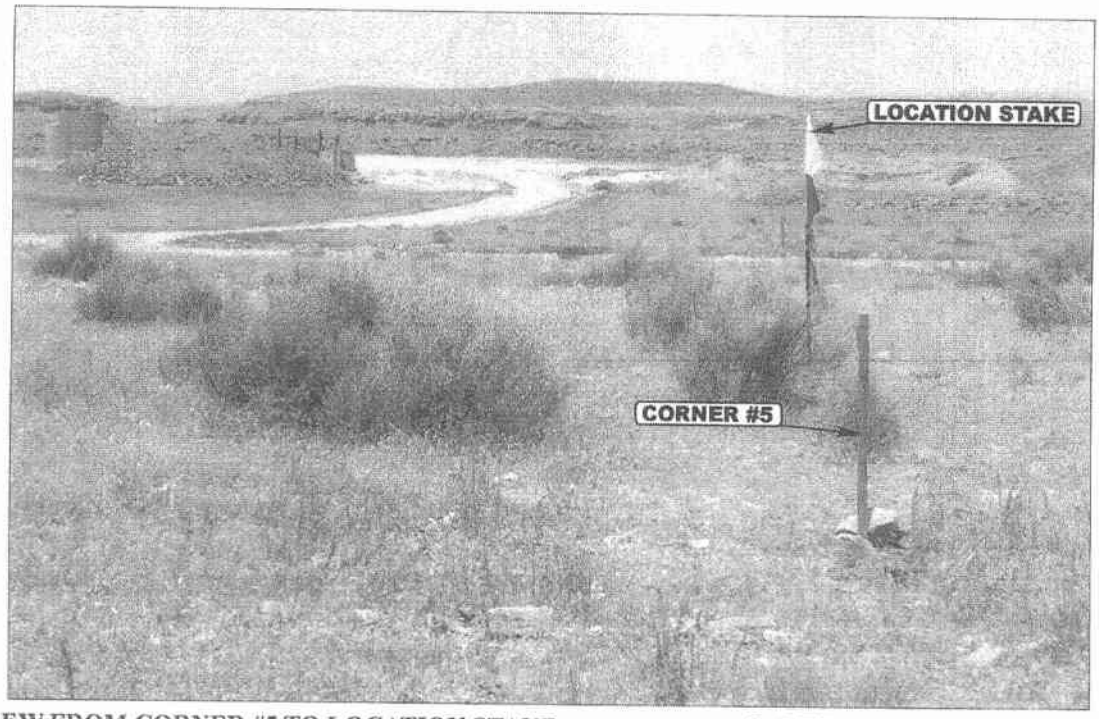


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHWESTERLY**

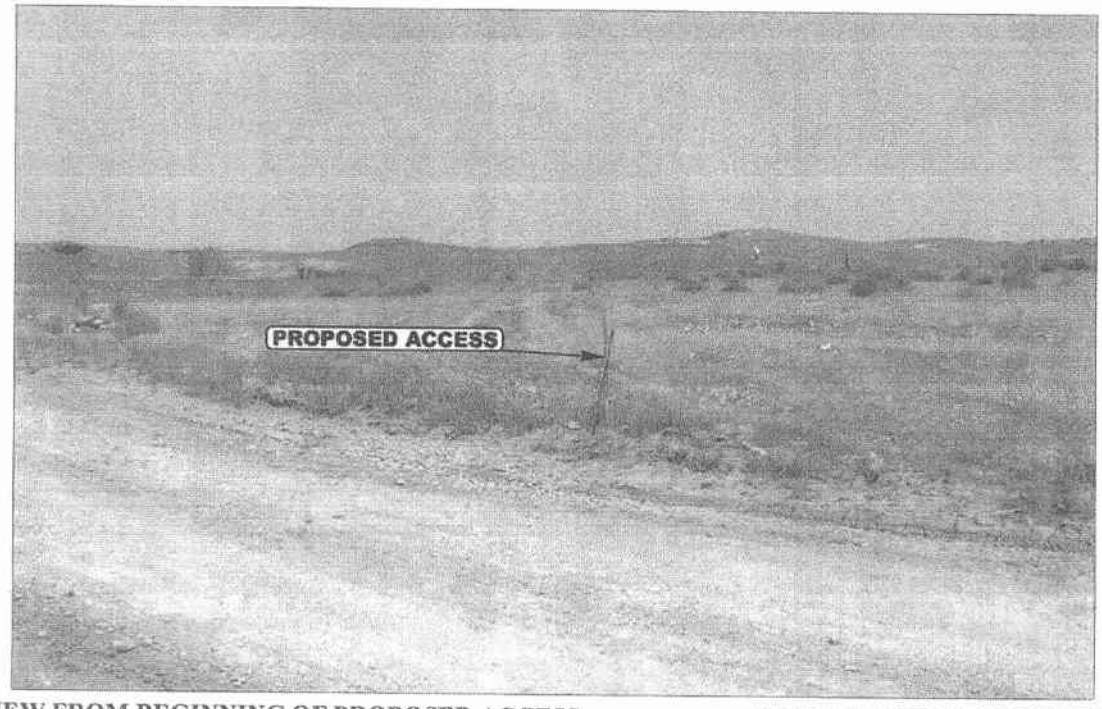
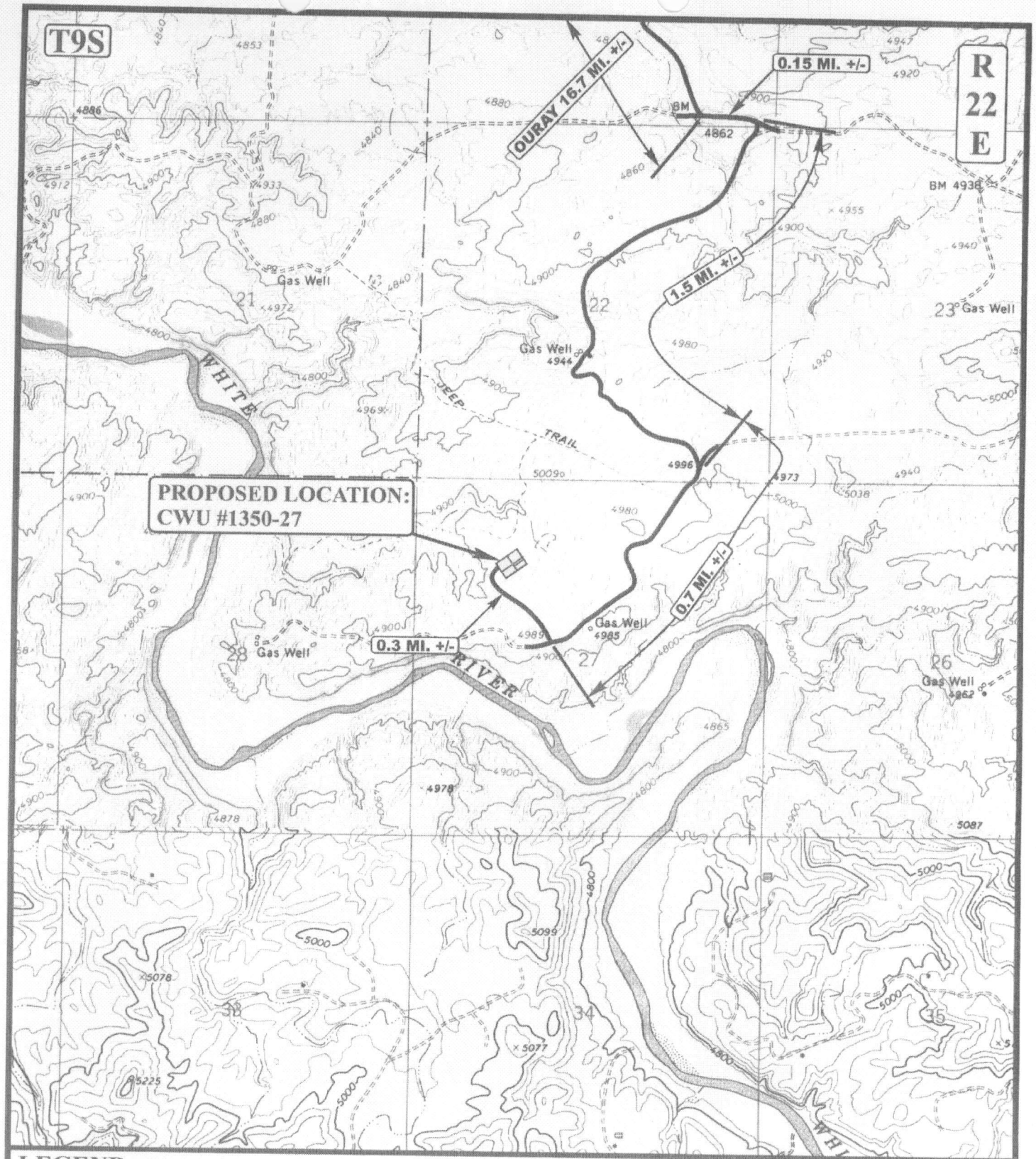


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: NORTHEASTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	07 MONTH	10 DAY	07 YEAR	PHOTO
TAKEN BY: G.S.	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

N

EOG RESOURCES, INC.

CWU #1350-27

SECTION 27, T9S, R22E, S.L.B.&M.

1229' FNL 1509' FWL

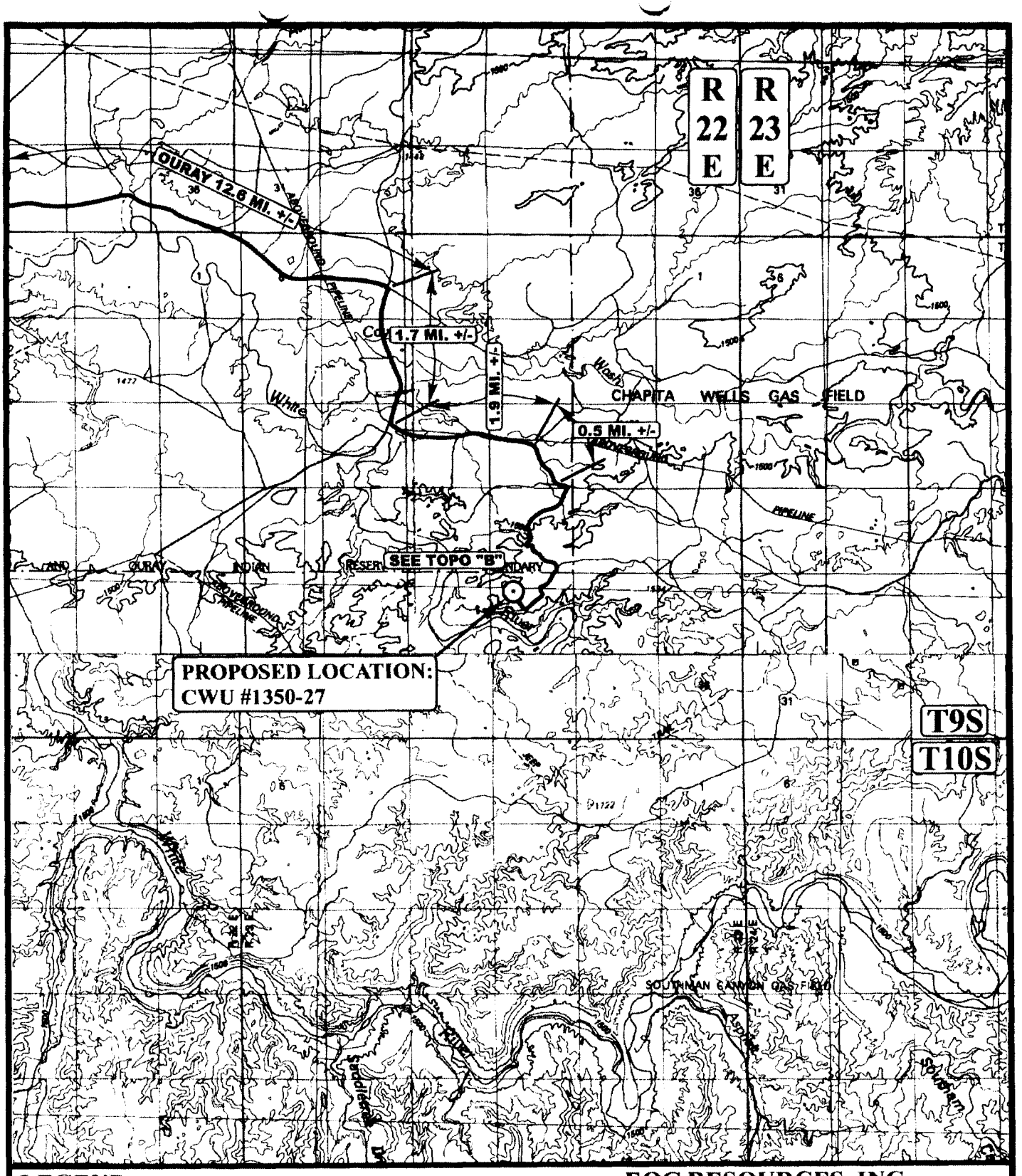
UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	07 MONTH	10 DAY	07 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION

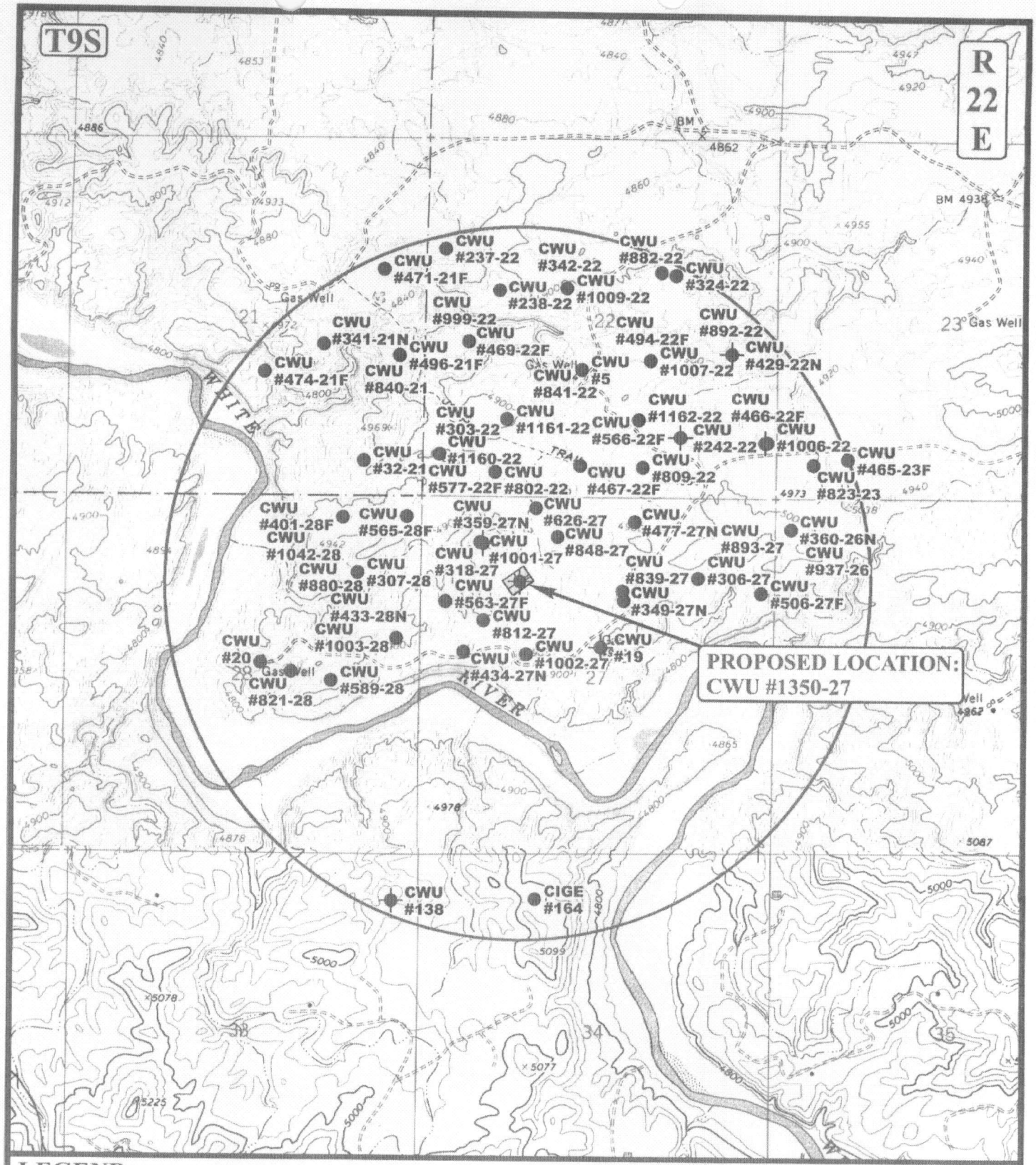
N

EOG RESOURCES, INC.

CWU #1350-27
SECTION 27, T9S, R22E, S.L.B.&M.
1229' FNL 1509' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	07 MONTH	10 DAY	07 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

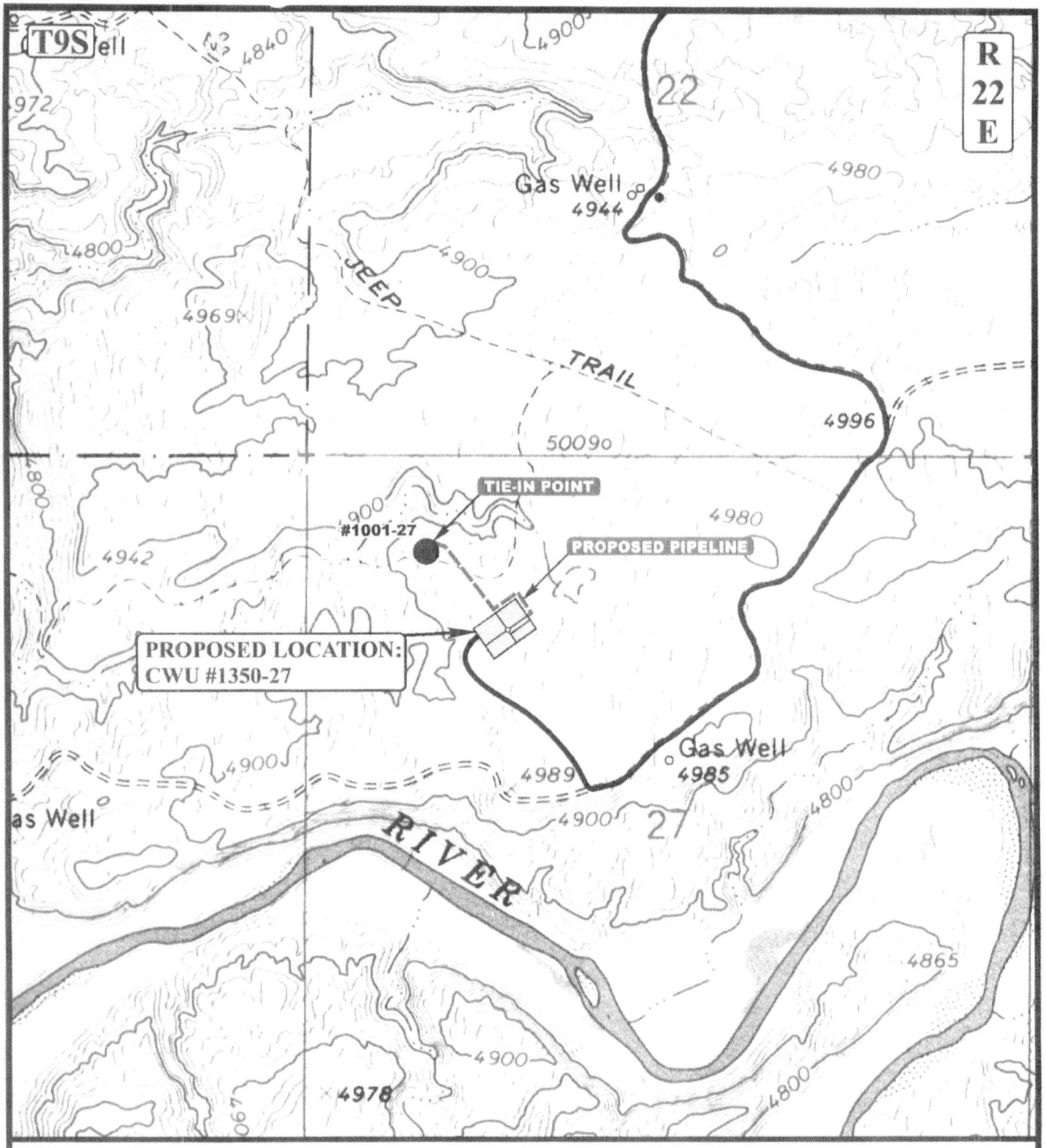
N

EOG RESOURCES, INC.

CWU #1350-27
SECTION 27, T9S, R22E, S.L.B.&M.
1229' FNL 1509' FWL

UELS
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	07 MONTH	10 DAY	07 YEAR
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00	C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,097' +/-

LEGEND:

PROPOSED PIPELINE

N

EOG RESOURCES, INC.

CWU #1350-27
SECTION 27, T9S, R22E, S.L.B.&M.
1229' FNL 1509' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	07 MONTH	10 DAY	07 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.P.	REVISED: 00-00-00		

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/13/2007

API NO. ASSIGNED: 43-047-50005

WELL NAME: CWU 1350-27

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

NENW 27 090S 220E

SURFACE: 1229 FNL 1509 FWL

BOTTOM: 1229 FNL 1509 FWL

COUNTY: UINTAH

LATITUDE: 40.01092 LONGITUDE: -109.4295

UTM SURF EASTINGS: 634045 NORTHINGS: 4429941

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0285-A

PROPOSED FORMATION: PRRV

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 49-225)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: CHAPITA WELLS

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

✓ Drilling Unit

Board Cause No: 179-8

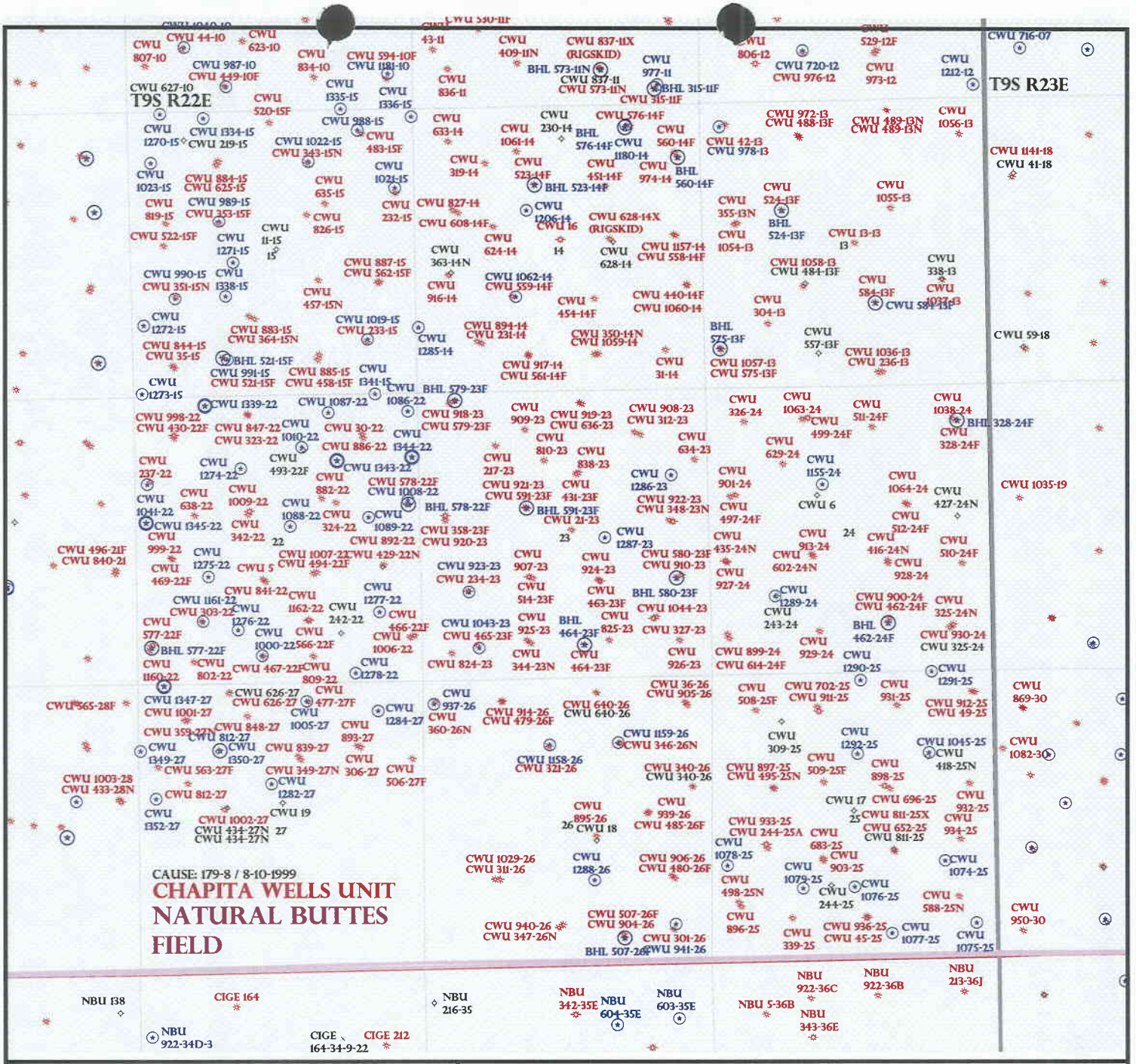
Eff Date: 8-10-1999

Siting: Suspends General Siting

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- federal Approval
2- OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 27 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 13-SEPTEMBER-2007

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

September 17, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ MesaVerde)

43-047-50005 CWU 1350-27 Sec 27 T09S R22E 1229 FNL 1509 FWL

43-047-39600 CWU 1022-15X Sec 15 T09S R22E 0965 FNL 1937 FEL
(Rig Skid - Previously)
43-047-37840 CWU 1022-15 Sec 15 T09S R22E 0954 FNL 1936 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:9-17-07

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 17, 2007

EOG Resources, Inc.
1060 East Hwy 40
Vernal, UT 84078

Re: Chapita Wells Unit 1350-27 Well, 1229' FNL, 1509' FWL, NE NW, Sec. 27, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-50005.

Sincerely,

For Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 1350-27

API Number: 43-047-50005

Lease: U-0285-A

Location: NE NW **Sec.** 27 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

   Notify the Division within 24 hours of spudding the well.

   - Contact Carol Daniels at (801) 538-5284.

   Notify the Division prior to commencing operations to plug and abandon the well.

   - Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

Form 3160-3
(August 2007)

RECEIVED
SEP 13 2007
BLM

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER	5. Lease Serial No. UTU0285A
	6. If Indian, Allottee or Tribe Name
	7. If Unit or CA Agreement, Name and No. UTU63013AM Chapita Wells
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone	8. Lease Name and Well No. CWU 1350-27
2. Name of Operator EOG RESOURCES INC Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com	9. API Well No. 43 047 50005
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078 — 3b. Phone No. (include area code) Ph: 435-781-9111	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well *(Report location clearly and in accordance with any State requirements.*)* At surface NENW 1229FNL 1509FWL 40.01087 N Lat, 109.43016 W Lon At proposed prod. zone NENW 1229FNL 1509FWL 40.01087 N Lat, 109.43016 W Lon	11. Sec., T., R., M., or Blk. and Survey or Area Sec 27 T9S R22E Mer SLB SME: BLM
14. Distance in miles and direction from nearest town or post office* 50.4 MILES SOUTH OF VERNAL	12. County or Parish UINTAH — 13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1229 — 16. No. of Acres in Lease 1,800	17. Spacing Unit dedicated to this well
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 830 — 19. Proposed Depth 0 MD 9,420	20. BLM/BIA Bond No. on file NM2308
21. Elevations (Show whether DF, KB, RT, GL, etc. 4953 GL — 22. Approximate date work will start — 23. Estimated duration	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 09/13/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) Jerry Kenczka	Date 7-2-2008
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56338 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 09/14/2007 (07GXJ5640AE)

UDOGM

RECEIVED
JUL 09 2008
DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NOS 7/23/07

07PP2480A

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**EOG Resources, Inc.**	**Location:**	**NENW, Sec. 27, T9S, R22E**
Well No:	**Chapita Wells Unit 1350-27**	**Lease No:**	**UTU-0285A**
API No:	**43-047-50005**	**Agreement:**	**Chapita Wells Unit**

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
		Fax: (435) 781-3420	

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.

- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

- Bury pipeline at all low water crossings.

- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that would lead to excessive rutting.

- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.

- Culverts and gravel may be installed as needed.

- The road passing through the site will be moved off of the pad.

DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
  COA specification is consistent with operators performance standard stated in APD.

- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
  All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. Drilling Operations, Special Drilling Operations, air/gas drilling.

- A Gamma Ray well Log shall be run from the well Total Depth to the surface.
  A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

- Covering air/gas drilling operations, requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.

- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.

- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.

    - Well name and number.

    - Well location (¼¼, Sec., Twn, Rng, and P.M.).

    - Date well was placed in a producing status (date of first production for which royalty will be paid).

    - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

    - Unit agreement and/or participating area name and number, if applicable.

    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:	UTU0285A
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME:	Chapita Wells Unit
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	8. WELL NAME and NUMBER: Chapita Wells Unit 1350-27
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43-047-50005
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078	PHONE NUMBER: (435) 781-9111
	10. FIELD AND POOL, OR WILDCAT: Natural Buttes

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1229' FNL & 1509' FWL 40.010867 LAT 109.430161 LON COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 9S 22E S STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: APD Extension
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-09-08

By: [signature]

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Regulatory Administrator

SIGNATURE [signature] DATE 8/29/2008

(This space for State use only)

COPY SENT TO OPERATOR
Date: 9.10.2008
Initials: KS

RECEIVED
SEP 08 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESET

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-50005
Well Name: Chapita Wells Unit 1350-27
Location: 1229 FNL - 1509 FWL (NENW), SECTION 27, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 9/17/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐ No☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐ No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐ No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐ No☑

Has the approved source of water for drilling changed? Yes☐ No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐ No☑

Is bonding still in place, which covers this proposed well? Yes☑ No☐

Signature

8/29/2008
Date

Title: Regulatory Administrator

Representing: EOG Resources, Inc.

RECEIVED
SEP 08 2008
DIV. OF OIL, GAS & MINING

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *- Other instructions on reverse side.*

5. Lease Serial No.
Multiple (See Attached)

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Chapita Wells Unit

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Multiple (See Attached)

2. Name of Operator
EOG Resources, Inc.

9. API Well No.
Multiple (See Attched)

3a. Address
1060 E. HWY 40 Vernal, UT 84078

3b. Phone No. *(include area code)*
435-789-0790

10. Field and Pool, or Exploratory Area
Natural Buttes

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Multiple (See Attached)
43 047 50005
CWU 1350-27
9S 22E 27

11. County or Parish, State
Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other **Air Drilling Variance Request**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests authorization for air drilling operations, see attached.

COPY SENT TO OPERATOR
Date: 10.14.2008
Initials: KS

RECEIVED
SEP 22 2008
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Mickenzie Thacker Title **Operations Clerk**

Signature Mickenzie Thacker Date **09/17/2008**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by [signature] Title Pet. Eng. Date 10/7/08

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office DOGM

Federal Approval Of This Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

43-047-39163	UTU-0284-A	CWU 1161-22	1159' FSL 1241' FWL	SWSW Sec. 22 T9S R22E
43-047-39593	UTU-0282	CWU 1180-14	373' FNL 1370' FEL	NWNE Sec. 14 T9S R22E
43-047-39592	UTU-0281	CWU 1181-10	624' FSL 455' FEL	SESE Sec. 10 T9S R22E
43-047-39610	UTU-0282	CWU 1206-14	1909' FNL 2073' FWL	SENW Sec. 14 T9S R22E
43-047-39899	UTU-0282	CWU 1207-24	663' FNL 624' FWL	NWNW Sec. 24 T9S R22E
43-047-39907	UTU-0282	CWU 1208-24	757' FNL 2238' FEL	NWNE Sec. 24 T9S R22E
43-047-39898	UTU-0282	CWU 1210-24	2021' FSL 576' FEL	NESE Sec. 24 T9S R22E
43-047-38541	UTU-0281	CWU 1211-12	726' FNL 825' FEL	NENE Sec. 12 T9S R22E
43-047-38672	UTU-01304	CWU 1227-06	817' FNL 702' FEL	NENE Sec. 6 T9S R23E
43-047-38429	UTU-0343	CWU 1228-07	415' FNL 261' FWL	NWNW Sec. 7 T9S R23E
43-047-39638	UTU-0285-A	CWU 1279-28	278' FNL 188' FEL	NENE Sec. 28 T9S R22E
43-047-50006	UTU-29535	CWU 1296-30	1192' FSL 1312' FEL	SESE Sec. 30 T9S R23E
43-047-39616	UTU-0283-A	CWU 1334-15	142' FNL 1397' FWL	NENW Sec. 15 T9S R22E
43-047-39512	UTU-0283-A	CWU 1335-15	10' FNL 1330' FEL	NWNE Sec. 15 T9S R22E
43-047-39513	UTU-0283-A	CWU 1338-15	1850' FSL 1750' FWL	NESW Sec. 15 T9S R22E
43-047-39620	UTU-0284-A	CWU 1339-22	162' FNL 1330' FWL	NENW Sec. 22 T9S R22E
43-047-39653	UTU-0284-A	CWU 1342-22	1330' FNL 1100' FWL	SWNW Sec. 22 T9S R22E
43-047-39623	UTU-0284-A	CWU 1344-22	1163' FNL 120' FEL	NENE Sec. 22 T9S R22E
43-047-39652	UTU-0284-A	CWU 1346-22	2545' FSL 7' FEL	NESE Sec. 22 T9S R22E
43-047-39686	UTU-0284-A	CWU 1348-22	25' FSL 25' FEL	SESE Sec. 22 T9S R22E
43-047-50005	UTU-0285-A	CWU 1350-27	1229' FNL 1509' FWL	NENW Sec. 27 T9S R22E
43-047-39677	UTU-0282	CWU 1353-23	2570' FSL 1330' FWL	NESW Sec. 23 T9S R22E
43-047-39688	UTU-0282	CWU 1354-23	1181' FSL 2551' FEL	SWSE Sec. 23 T9S R22E

Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.

2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.

3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.

4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.

5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.

6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

1. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).

2. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.

4. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).

5. EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **EOG RESOURCES INC**

Well Name: **CWU 1350-27**

Api No: **43-047-50005** Lease Type: **FEDERAL**

Section **27** Township **09S** Range **22E** County **UINTAH**

Drilling Contractor **CRAIG'S ROUSTABOUT SERV** RIG # **RATHOLE**

SPUDDED:

Date **11/18/2008**

Time **1;00 PM**

How **DRY**

Drilling will Commence:

Reported by **JERRY BARNES**

Telephone # **(435) 828-1720**

Date **11/18/08** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Operator Account Number: N 9550
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078
Phone Number: (435) 781-9145

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-50005	CHAPITA WELLS UNIT 1350-27	NENW	27	9S	22E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
KB	99999	13650	11/18/2008	11/25/08

Comments: PRRV: MESAVERDE

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-39617	CHAPITA WELLS UNIT 729-29	SWNE	29	9S	23E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	17199	11/18/2008	11/25/08

Comments: WASATCH

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-39338	NATURAL BUTTES UNIT 346-05E	NESE	5	10S	21E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
KB	99999	2900	11/19/2008	11/25/08

Comments: WASATCH/MESAVERDE

ACTION CODES:
- **A** - Establish new entity for new well (single well only)
- **B** - Add new well to existing entity (group or unit well)
- **C** - Re-assign well from one existing entity to another existing entity
- **D** - Re-assign well from one existing entity to a new entity
- **E** - Other (Explain in 'comments' section)

Mickenzie Thacker
Name (Please Print)
Mickenzie Thacker
Signature
Operations Clerk
Title
11/21/2008
Date

(5/2000)

RECEIVED
NOV 24 2008
DIV. OF OIL, GAS & MINING

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU0285A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 1350-27

2. Name of Operator
EOG RESOURCES, INC.
Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

9. API Well No.
43-047-50005

3a. Address
1060 E. HWY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435-781-9145

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 27 T9S R22E NENW 1229FNL 1509FWL
40.01087 N Lat, 109.43016 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Well Spud
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 11/18/2008.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #64991 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name *(Printed/Typed)* MICKENZIE THACKER — Title OPERATIONS CLERK

Signature Mickenzie Thacker (Electronic Submission) — Date 11/21/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
NOV 26 2008
DIV. OF OIL, GAS & MINING

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU0285A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 1350-27

2. Name of Operator
EOG RESOURCES, INC.
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-50005

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 27 T9S R22E NENW 1229FNL 1509FWL
40.01087 N Lat, 109.43016 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Production Start-up
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 3/4/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #67888 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name *(Printed/Typed)* MARY A. MAESTAS — Title REGULATORY ASSISTANT

Signature (Electronic Submission) — Date 03/09/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title — Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. — Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED
MAR 16 2009
DIV. OF OIL, GAS & MINING

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

WELL CHRONOLOGY REPORT

Report Generated On: 03-09-2009

Well Name	CWU 1350-27	**Well Type**	DEVG	**Division**	DENVER
Field	CHAPITA DEEP	**API #**	43-047-50005	**Well Class**	COMP
County, State	UINTAH, UT	**Spud Date**	01-18-2009	**Class Date**	
Tax Credit	N	**TVD / MD**	9,420/ 9,420	**Property #**	061886
Water Depth	0	**Last CSG**	2.375	**Shoe TVD / MD**	0/ 0
KB / GL Elev	4,965/ 4,952				
Location	Section 27, T9S, R22E, NENW, 1229 FNL & 1509 FWL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	**WI %**	55.686	**NRI %**	47.671

AFE No	304863	**AFE Total**	1,767,400	**DHC / CWC**	880,700/ 886,700
Rig Contr	TRUE	**Rig Name**	TRUE #27	**Start Date**	09-21-2007
Release Date	01-25-2009				

09-21-2007 **Reported By** SHARON CAUDILL

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0

MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA

1229' FNL & 1509' FWL (NE/NW)
SECTION 27, T9S, R22E
UINTAH COUNTY, UTAH

LAT 40.010867, LONG 109.430161 (NAD 83)
LAT 40.010903, LONG 109.429478 (NAD 27)

TRUE #27
OBJECTIVE: 9420' TD, MESAVERDE
DW/GAS
CHAPITA WELLS DEEP PROSPECT
DD&A: CHAPITA DEEP
NATURAL BUTTES FIELD

LEASE: UTU-0285-A
ELEVATION: 4953.1' NAT GL, 4951.6' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4952'), 4965' KB (13')

EOG WI 55.6856%, NRI 47.67131%

10-29-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$75,000	**Completion**	$0	**Daily Total**	$75,000				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY10/29/08.

10-30-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 25% COMPLETE.

10-31-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

11-03-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 45% COMPLETE.

11-04-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

11-05-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

11-06-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

11-07-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

11-10-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

11-11-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING TODAY.

11-12-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-13-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-14-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-17-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TOMORROW.

11-18-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

11-19-2008 **Reported By** TERRY CSERE/JERRY BARNES

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0		
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000		
MD	60 **TVD**	60 **Progress**	0 **Days**	0 **MW**	0.0 **Visc**	0.0	
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: SPUD/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. CRAIG'S ROUSABOUT SERVICE SPUD A 20" HOLE ON 11/18/08 @ 1:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/18/08 @ 11:45 AM.

11-20-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0		
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000		
MD	60 **TVD**	60 **Progress**	0 **Days**	0 **MW**	0.0 **Visc**	0.0	
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

12-02-2008 **Reported By** LES FARNSWORTH

DailyCosts: Drilling	$274,736	**Completion**	$0	**Daily Total**	$274,736		
Cum Costs: Drilling	$349,736	**Completion**	$0	**Well Total**	$349,736		
MD	2,383 **TVD**	2,383 **Progress**	0 **Days**	0 **MW**	0.0 **Visc**	0.0	
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 11/24/2008. DRILLED 12-1/4" HOLE TO 2370' GL (2383 KB). ENCOUNTERED WATER @ 1610'. FLUID DRILLED HOLE FROM 1630' W/NO LOSSES. RAN 56 JTS (2362.80') OF 9-5/8", 36#, J-55, STC CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2375' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 183 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (182.6 BBLS) OF PREMIUM LEAD CEMENT W/ 0.2% VARSET, 2% CALSEAL, & 2% EX-1. MIXED CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX. TAILED IN W/300 SX (63 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/ 179 BBLS FRESH WATER. BUMPED PLUG W/1000# @ 8:59 AM,11-30-2008. CHECKED FLOAT,FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 178 BBLS INTO FRESH WATER FLUSH. LOST RETURNS 70 BBLS INTO DISPLACEMENT. REGAINED CIRCULATION 110 BBLS INTO DISPLACEMENT. CIRCULATED 1 BBL.OF LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED. TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21BBLS) OF PREMIUM CEMENT W/2% CACL2 . MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 4 HR 30 MINUTES. TOP JOB # 2: MIXED & PUMPED 100 SX (21BBLS) OF PREMIUM CEMENT W/2% CACL2 . MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED WITH CEMENT BUT FELL BACK WHEN PUMPING STOPPED. WOC 5 HRS.

TOP JOB # 3: MIXED & PUMPED 45 SX (9.5 BBLS) OF PREMIUM CEMENT W/2% CACL2 . MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS 2 TOOK SURVEYS WHILE DRILLING HOLE @1438'= 1.75 DEGREE @ 2300' = 3 DEGREE.

CONDUCTOR LEVEL RECORD: PS=89.8 OPS=89.8 VDS=89.8 MS=89.8

9 5/8 CASING LEVEL RECORD: PS=90,0 OPS=90.0 VDS=89.9 MS=90.0.

DANNY FARNSWORTH EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 11/25/2008 @ 10:22 AM.

01-18-2009 **Reported By** PAT CLARK

DailyCosts: Drilling	$19,555	**Completion**	$0	**Daily Total**	$19,555
Cum Costs: Drilling	$369,291	**Completion**	$0	**Well Total**	$369,291

MD	2,383	**TVD**	2,383	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RURT. RW JONES MOVED RIG 4.5 MILES TO NEW LOCATION W/ 13 TRUCKS, 1 FORKLIFT. DERRICK IN AIR @ 16:00, TRUCKS RELEASED @ 17:00.
			FULL CREWS, NO ACCIDENTS.
			SAFETY MEETING W/ RW JONES DRIVERS AND RIG HANDS.
			ETA SPUD - 15:00 01-18-09.
			FUEL - 6133, DEL - 4500, USED - 367.
			TRANSFER 8 JTS 4 1/2", 11.6#, N-80, LTC CSG (326.01' TOL) FROM OLD WELL.
			TRANSFER 2 4 1/2", 11.6#, P-110, LTC MJ (42.14' TOL) FROM OLD WELL.
			TRANSFER 2000 GALS DIESEL FROM OLD WELL.

01-19-2009 **Reported By** PAT CLARK

DailyCosts: Drilling	$52,928	**Completion**	$0	**Daily Total**	$52,928
Cum Costs: Drilling	$422,219	**Completion**	$0	**Well Total**	$422,219

MD	3,875	**TVD**	3,875	**Progress**	1,492	**Days**	1	**MW**	8.4	**Visc**	26.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 3875'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	NUBOP. RIG ON DAYWORK @ 06:00 1-18-09.
07:00	11:00	4.0	HSM. TEST BOP. TEST HIGH 5000 PSI UPPER AND LOWER KELLY VALVES, SAFETY VALVE, DART VALVE, PIPE AND BLIND RAMS, KILL LINE, MANIFOLD AND VALVES. TEST ANNULAR TO 2500 PSI, CASING TO 1500 PSI F/ 30 MINUTES. R/D TESTER. INSTALL WEAR BUSHING.
			BLM NOTIFIED OF TEST ON 1-17-09. NO BLM HAND PRESENT FOR TEST.
11:00	14:30	3.5	HSM. R/U WEATHERFORD TRS, PU BHA & TOOLS. TAG CEMENT @ 2320'. R/D TRS.
14:30	16:00	1.5	DRILL CEMENT/FLOAT EQUIP. FC @ 2341', GS @ 2383'. DRILL 10' NEW HOLE TO 2393'.

16:00	16:30	0.5	PERFORM FIT TO 261 PSI FOR 10.5 EMW.
16:30	18:00	1.5	DRILL 2393' – 2595'. WOB 5–15K, RPM 55/64, SPP 1000 PSI, DP 300 PSI.
18:00	18:30	0.5	SURVEY @ 2520' – 1.9 DEG.
18:30	03:00	8.5	DRILL 2595' – 3597'. SAME PARAMETERS, ROP 118 FPH.
03:00	03:30	0.5	SURVEY @ 3516' – 1.92 DEG.
03:30	06:00	2.5	DRILL 3597' – 3875'. SAME PARAMETERS, ROP 111 FPH.

FULL CREWS, NO ACCIDENTS.
SAFETY MEETINGS – TEST BOP, SURVEYS.
FUEL – 5011, USED – 1122.
CURRENT MW – 9.2 PPG, VIS – 32 SPQ.
MAHOGANY SHALE @ 2229'.
UNMANNED ML UNIT 1 DAY.

06:00			SPUD 7 7/8" HOLE W/ROTARY TOOLS @ 16:30 HRS, 1/18/09.

01–20–2009 **Reported By** PAT CLARK

DailyCosts: Drilling	$38,431	**Completion**	$0	**Daily Total**	$38,431
Cum Costs: Drilling	$460,651	**Completion**	$0	**Well Total**	$460,651

MD	5,810	**TVD**	5,810	**Progress**	1,935	**Days**	2	**MW**	9.3	**Visc**	34.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 5810'

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL 3875' – 4502'. WOB 15–20K, RPM 60/64, SPP 1600 PSI, DP 350 PSI, ROP 125 FPH.
11:00	11:30	0.5	SURVEY @ 4431' – 2.19 DEG.
11:30	16:00	4.5	DRILL 4502' – 4909'. SAME PARAMETERS, ROP 90 FPH.
16:00	16:30	0.5	RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS.
16:30	06:00	13.5	DRILL 4909' – 5810'. SAME PARAMETERS, ROP 67 FPH.

FULL CREWS, NO ACCIDENTS.
SAFETY MEETINGS – FALL PROTECTION, 100% TIE–OFF.
FUEL – 2992, USED – 2019.
CURRENT MW – 10 PPG, VIS – 36 SPQ.
CHAPITA WELLS @ 5184'.
UNMANNED ML UNIT – 2 DAYS.

01–21–2009 **Reported By** PAUL WHITE

DailyCosts: Drilling	$41,289	**Completion**	$0	**Daily Total**	$41,289
Cum Costs: Drilling	$501,941	**Completion**	$0	**Well Total**	$501,941

MD	6,980	**TVD**	6,980	**Progress**	1,170	**Days**	3	**MW**	10.6	**Visc**	35.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 6980'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL F/ 5810 TO 6223 413' 63 FPH, WOB 19 RPM 54, MW 10.0.
12:30	13:00	0.5	SERVICE RIG, CHECK COM FOR DRLG.

13:00	06:00	17.0	DRILL F/ 6223 TO 6980 757' 44 FPH. WOB 20 RPM 55, MW 10.6.
			DRILLING NORTH HORN, TOP OF PRICE RIVER AT 7086.
			NO ACCIDENTS OR INCIDENTS.
			SAFETY MEETING TOPICS: FALL PROTECTION, PPE, TRIP HAZARDS.
			UNMANNED MUD LOGGER 3 DAYS.
			FUEL ON HAND 5011 USED 1981.

01-22-2009 **Reported By** PAUL WHITE

DailyCosts: Drilling	$84,810	**Completion**	$3,645	**Daily Total**	$88,455
Cum Costs: Drilling	$586,751	**Completion**	$3,645	**Well Total**	$590,396

MD	7,930	**TVD**	7,930	**Progress**	950	**Days**	4	**MW**	10.7	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 7930'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL F/ 6980 TO 7168 188' 54 FPH, WOB 20 RPM 60, MW 10.5, VIS 37.
09:30	10:00	0.5	SERVICE RIG.
10:00	06:00	20.0	DRILL F/ 7168' TO 7930' 762' 38 FPH, WOB 20 RPM 52, MW 10.7, VIS 36.
			DRILLING TRANSITION TO PRICE RIVER MIDDLE. TOP OF PRICE RIVER MIDDLE AT 7955'.
			NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: HOUSE KEEPING, WORK AREA.
			UNMANNED LOGGING UNIT 4 DAYS.
			FUEL ON HAND 2917 USED 2094.

01-23-2009 **Reported By** PAUL WHITE

DailyCosts: Drilling	$33,698	**Completion**	$517	**Daily Total**	$34,215
Cum Costs: Drilling	$620,449	**Completion**	$4,162	**Well Total**	$624,611

MD	8,450	**TVD**	8,450	**Progress**	520	**Days**	5	**MW**	10.8	**Visc**	37.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 8,450'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL F/ 7930 TO 8020 90' 26 FPH, WOB 22 RPM 57, MW 10.7 VIS 37.
			CHECK CROWN-O-MATIC FOR DRILLING.
09:30	10:00	0.5	SERVICE RIG.
10:00	06:00	20.0	DRILL F/ 8020 TO 8450 430' 21 FPH, WOB 22, RPM 50, MUD WT. 11.2, VIS 37. DRILLING MIDDLE PRICE RIVER. TOP OF LOWER PRICE RIVER AT 8748'.
			NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: DANGEROUS DRIVING CONDITIONS. CHANGING TONG DIES.
			FUEL ON HAND 5759 RECEIVED 4500 USED 1658.
			UNMANNED MUD LOGGING UNIT 5 DAYS.

01-24-2009 **Reported By** PAUL WHITE

DailyCosts: Drilling	$55,615	**Completion**	$0	**Daily Total**	$55,615
Cum Costs: Drilling	$676,065	**Completion**	$4,162	**Well Total**	$680,227

MD	8,979	**TVD**	8,979	**Progress**	529	**Days**	6	**MW**	11.4	**Visc**	40.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING AT 8979'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL F/ 8450 TO 8454 4' / HR. WOB 22 RPM 57, MW 11.3 VIS 40.
07:00	07:30	0.5	CIRCULATE PUMP PILL, DROP SURVEY, F/T COM FOR TRIPPING.
07:30	15:00	7.5	POH, CHANGE BIT AND MOTOR, FUNCTION CHECK RAMS. RIH.
15:00	15:30	0.5	WASH/ REAM 8394 TO 8454.
15:30	06:00	14.5	DRILL F/ 8454 TO 8979 525' 36 FPH. WOB 16 RPM 60 MW 11.4 VIS 39. DRILLING LOWER PRICE RIVER, TOP OF SEGO AT 9210.
			FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: STEAM LINES, DRIVING CONDITIONS.
			FUNCTION CHECK COM FOR TRIPPING AND DRILLING.
			UNMANNED MUD LOGGING UNIT 6 DAYS. FUEL ON HAND 4039 USED 1720.

01-25-2009 **Reported By** PAUL WHITE

DailyCosts: Drilling	$40,941	**Completion**	$0	**Daily Total**	$40,941
Cum Costs: Drilling	$717,006	**Completion**	$4,162	**Well Total**	$721,168

MD	9,420	**TVD**	9,420	**Progress**	441	**Days**	7	**MW**	11.3	**Visc**	40.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RUNNING PROD CSG

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL F/ 8979 TO 9420 441 44 FPH, WOB 20 RPM 51, MUD WT. 11.4 VIS 38. REACHED TD @ 16:00 HRS, 1/24/2009.
16:00	16:30	0.5	SERVICE RIG.
16:30	17:30	1.0	7 STAND WIPER TRIP. PULLED CLEAN.
17:30	19:00	1.5	RIG UP CALIBER CASING SERVICE. CIRCULATE. HOLD SAFETY MEETING.
19:00	20:30	1.5	LAY DOWN DRILL PIPE.
20:30	21:00	0.5	REPAIR CALIBER LAY DOWN EQUIPMENT.
21:00	21:30	0.5	LAY DOWN DRILL PIPE.
21:30	22:00	0.5	REPAIR CALIBER LAY DOWN EQUIPMENT.
22:00	04:00	6.0	LAY DOWN DRILL PIPE AND BHA.
04:00	04:30	0.5	PULL WEAR BUSHING.
04:30	05:30	1.0	RIG UP CASING CREW, HOLD SAFETY MEETING.
05:30	06:00	0.5	MAKE UP SHOE AND COLLAR, RUN 4.5" PRODUCTION CASING. RESCHEDULED RIG MOVE TO CWU 1347-27 TO MONDAY. RIG MOVE 1.8 MILES.
			NO ACCIDENTS, OR INCIDENTS. SAFETY MEETING TOPICS: PINCH POINTS, LAY DOWN AND CASING RUNNING PROCEDURES.
			TOTAL UNMANNED MUD LOGGING DAYS 6 DAYS. FUEL ON HAND 2319 USED 1720.

01-26-2009 **Reported By** PAUL WHITE

DailyCosts: Drilling	$76,025	**Completion**	$191,090	**Daily Total**	$267,115
Cum Costs: Drilling	$793,032	**Completion**	$195,252	**Well Total**	$988,284

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	8	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RDRT/WOCOMPLETION

Start	End	Hrs	Activity Description
06:00	11:00	5.0	RAN 219 JTS. 4.5" 11.6 # N-80 CASING EQUIPED W/ WEATHERFORD FLOAT SHOE AND FLOAT COLLAR.. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY THIRD JOINT AFTER FOR A TOTAL OF 28. SHOE AT 9412' FLOAT COLLAR AT 9365'. MARKER JT AT 4157' AND 6661'.
11:00	12:30	1.5	RIG DOWN CASING CREW, RIG UP SCHLUMBERGER, CIRCULATE AND HOLD PJSM.
12:30	14:30	2.0	CEMENTING. LOADED BOTTOM PLUG AND TOP PLUG. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLS CHEM WASH, 20 BBLS WATER, 137 BBLS LEAD SLURRY: 35/65 POZ G, SLURRY WT. 12 PPG. (340 SX). FOLLOWED W/ 363 BBLS. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. 1580 SX), DROPPED TOP PLUG AND DISPLACED W/ 145 BBLS. WATER. BUMPED PLUG W/ 3,500 PSI, CHECKED FLOATS OK.
14:30	15:00	0.5	REMOVE LANDING JT. SET PACKOFF AND TEST TO 5,000 PSI.
15:00	16:00	1.0	NIPPLE DOWN BOP'S, CLEAN PITS.
16:00	06:00	14.0	RDRT – PREPARE FOR RIG MOVE TO CWU 1347-27. RIG MOVE 1.8 MILES TRUCKS DUE FOR ARRIVAL 07:00 1-6-09 NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ ALL THIRD PARTY CONTRACTORS. FULL CREW. TRANSFERED TO CWU 1347-27 4 JTS 4.5" 11.6# N-80 LT&C CASING, ONE 4.5" HCP-110 MARKER JT. AND 2319 GAL. BLENDED DIESEL.
06:00			RELEASE RIG @ 16:00 HRS, 1/25/09. CASING POINT COST$766,551

02-03-2009 **Reported By** PAUL WHITE

DailyCosts: Drilling	$0	**Completion**	$28,500	**Daily Total**	$28,500		
Cum Costs: Drilling	$793,032	**Completion**	$223,752	**Well Total**	$1,016,784		
MD 9,420	**TVD** 9,420	**Progress** 0	**Days** 9	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 9365.0		**Perf :**		**PKR Depth :** 0.0		

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00			MIRU LONE WOLF. LOG WITH CBL/CCL/VDL/GR FROM PBTD TO 400'. EST CEMENT TOP @ 950'. RD LONE WOLF.

02-20-2009 **Reported By** BRINKERHOFF

DailyCosts: Drilling	$0	**Completion**	$1,168	**Daily Total**	$1,168		
Cum Costs: Drilling	$793,032	**Completion**	$224,920	**Well Total**	$1,017,952		
MD 9,420	**TVD** 9,420	**Progress** 0	**Days** 10	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 9365.0		**Perf :**		**PKR Depth :** 0.0		

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

02-26-2009 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$1,300	**Daily Total**	$1,300

Cum Costs: Drilling	$793,032	**Completion**	$226,220	**Well Total**	$1,019,252		
MD	9,420 **TVD**	9,420 **Progress**	0	**Days**	11 **MW**	0.0 **Visc**	0.0
Formation : MESAVERDE	**PBTD :** 9365.0		**Perf :** 7694'-9120'		**PKR Depth :** 0.0		

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 8950'-52', 8991'-92', 8995'-96', 9001'-02', 9033'-34', 9038'-39', 9042'-43', 9086'-88', 9110'-11', 9119'-20' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH165 GAL GYPTRON T-106, 0 GAL WF120 LINEAR PAD, 7347 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 31726 GAL YF116ST+ WITH 114700# 20/40 SAND @ 1-4 PPG. MTP 6067 PSIG. MTR 53.3 BPM. ATP 4297 PSIG. ATR 45.5 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER. RUWL SET 6K CFP AT 8890'. PERFORATE MPR/LPR FROM 8584'-85', 8596'-97', 8605'-06', 8650'-51', 8668'-69', 8683'-84', 8711'-12', 8750'-51', 8761'-62', 8777'-78', 8821'-22', 8873'-74' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 1480 GAL WF120 LINEAR PAD, 6317 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 47639 GAL YF116ST+ WITH 185000# 20/40 SAND @ 1-5 PPG. MTP 6247 PSIG. MTR 50.3 BPM. ATP 5071 PSIG. ATR 45.9 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER. RUWL SET 6K CFP AT 8546'. PERFORATE MPR FROM 8300'-01', 8306'-07', 8324'-25', 8346'-47', 8366'-37', 8380'-81', 8386'-87', 8413'-14', 8419'-20', 8477'-78', 8504'-05', 8531'-32' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0 GAL WF120 LINEAR PAD, 6266 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 48767 GAL YF116ST+ WITH 170300# 20/40 SAND @ 1-4 PPG. MTP 6221 PSIG. MTR 52.1 BPM. ATP 41.5 PSIG. ATR 41.5 BPM. ISIP 3850 PSIG. RD SCHLUMBERGER. RUWL SET 6K CFP AT 8220'. PERFORATE MPR FROM 8019'-20', 8026'-27', 8069'-70', 8089'-90', 8113'-14', 8120'-21', 8129'-30', 8139'-40', 8154'-55', 8166'-67', 8180'-81', 8190'-91'@ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0 GAL WF120 LINEAR PAD, 6307 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 49246 GAL YF116ST+ WITH 175700# 20/40 SAND @ 1-5 PPG. MTP 4910 PSIG. MTR 50.3 BPM. ATP 3840 PSIG. ATR 47.9 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER. RUWL SET 6K CFP AT 7980'. PERFORATE UPR/MPR FROM 7694'- 95', 7707'-08', 7718'-19', 7724'-25', 7770'-71', 7831'-32', 7881'-82', 7908'-09', 7913'-14', 7955'-56', 7965'-67' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0 GAL WF120 LINEAR PAD, 6307 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 48994 GAL YF116ST+ WITH 174600# 20/40 SAND @ 1-5 PPG. MTP 6341 PSIG. MTR 50.5 BPM. ATP 4092 PSIG. ATR 46.9 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER. SWIFN.

02-27-2009	**Reported By**	MCCURDY					
DailyCosts: Drilling	$0	**Completion**	$329,776	**Daily Total**	$329,776		
Cum Costs: Drilling	$793,032	**Completion**	$555,996	**Well Total**	$1,349,029		
MD	9,420 **TVD**	9,420 **Progress**	0	**Days**	12 **MW**	0.0 **Visc**	0.0
Formation : MESAVERDE	**PBTD :** 9365.0		**Perf :** 7173'-9120'		**PKR Depth :** 0.0		

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1806 PSIG. RUWL SET 6K CFP AT 7654'. PERFORATE UPR FROM 7414'-15', 7421'-22', 7429'-30', 7466'-67', 7473'-74', 7495'-96', 7565'-66', 7596'-97', 7606'-07', 7611'-12', 7630'-31', 7634'-35' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7294 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 38322 GAL YF116ST+ WITH 144500# 20/40 SAND @ 1-5 PPG. MTP 6163 PSIG. MTR 50.3 BPM. ATP 4414 PSIG. ATR 47.3 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 7378'. PERFORATE UPR FROM 7173'-74', 7180'-81', 7186'-87', 7208'-09', 7215'-16', 7227'-29', 7300'-02', 7311'-12', 7325'-26', 7360'-61' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6309 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 32407 GAL YF116ST+ WITH 114200# 20/40 SAND @ 1-5 PPG. MTP 6088 PSIG. MTR 50.3 BPM. ATP 4442 PSIG. ATR 47.2 BPM. ISIP 2350 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7062'. RDWL. SDFN.

03-03-2009 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$33,128	**Daily Total**	$33,128
Cum Costs: Drilling	$793,032	**Completion**	$589,124	**Well Total**	$1,382,157

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	13	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 9365.0 **Perf :** 7173'-9120' **PKR Depth :** 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRUSU. ND FRAC TREE. NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO 7067'. RU TO DRILL OUT PLUGS. SDFN.

03-04-2009 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$48,021	**Daily Total**	$48,021
Cum Costs: Drilling	$793,032	**Completion**	$637,145	**Well Total**	$1,430,178

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	14	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 9365.0 **Perf :** 7173'-9120' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7067', 7378', 7654', 7980', 8220', 8546', & 8890'. RIH CLEANED OUT TO 9232'. LANDED TUBING @ 7889' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. FINAL COMPLETION DATE: 3/3/09 FLOWED 16 HRS. 24/64" FTP 1950 PSIG. CP 2250 PSIG. 52 FPH. RECOVERED 1000 BLW. 8200 BLWTR. TUBING DETAIL LENGTH PUMP OFF BIT SUB 0.91' 1 JT 2-3/8" 4.7# N-80 TBG 33.02' XN NIPPLE 1.30' 238 JTS 2-3/8" 4.7# N-80 TBG 7840.99' BELOW KB 13.00' LANDED @ 7889.22' KB

03-05-2009 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$9,885	**Daily Total**	$9,885
Cum Costs: Drilling	$793,032	**Completion**	$647,030	**Well Total**	$1,440,063

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	15	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 9365.0 **Perf :** 7173'-9120' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 2000 PSI & CP 2350 PSI. TURNED WELL TO QUESTAR SALES AT 11:00 AM, 03/04/09. FLOWED 1521 MCFD RATE ON 20/64" POS CHOKE. STATIC 268. QGM METER #8094.

FLOWED THROUGH TEST UNIT 24 HRS. 20/64" CHOKE. FTP 1900 PSIG. CP 2500 PSIG. 30 BFPH. RECOVERED 826 BLW. 7374 BLWTR. 1797 MCFD RATE.

03-06-2009 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$2,540	**Daily Total**	$2,540
Cum Costs: Drilling	$793,032	**Completion**	$649,570	**Well Total**	$1,442,603

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	16	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9365.0 **Perf :** 7173'-9120' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 1500 PSIG. CP 2300 PSIG. 32 BFPH. RECOVERED 882 BLW. 6492 BLWTR. 2027 MCFD RATE.

FLOWED 1392 MCF, 16 BC & 864 BW IN 24 HRS ON 20/64" CHOKE, TP 1775 PSIG, CP 1600 PSIG.

03-07-2009 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$2,540	**Daily Total**	$2,540
Cum Costs: Drilling	$793,032	**Completion**	$652,110	**Well Total**	$1,445,143

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	17	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9365.0 **Perf :** 7173'-9120' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 24/64" CHOKE. FTP 1250 PSIG. CP 2050 PSIG. 24 BFPH. RECOVERED 664 BLW. 5828 BLWTR. 2034 MCFD RATE.

03-08-2009 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$3,224	**Daily Total**	$3,224
Cum Costs: Drilling	$793,032	**Completion**	$655,334	**Well Total**	$1,448,367

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	18	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9365.0 **Perf :** 7173'-9120' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 24/64" CHOKE. FTP 1150 PSIG. CP 1850 PSIG. 20 BFPH. RECOVERED 496 BLW. 5332 BLWTR. 1901 MCFD RATE. TURN WELL OVER TO PRODUCTION DEPARTMENT.

03-09-2009 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$2,540	**Daily Total**	$2,540
Cum Costs: Drilling	$793,032	**Completion**	$657,874	**Well Total**	$1,450,907

MD	9,420	**TVD**	9,420	**Progress**	0	**Days**	19	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9365.0 **Perf :** 7173'-9120' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	3/7/09 - FLOWED 2048 MCF, 24 BC & 768 BW IN 24 HRS ON A 24/64" CHOKE, TP 1425 PSIG, CP 2225 PSIG.

3/8/09 - FLOWED 2022 MCF, 20 BC & 680 BW IN 24 HRS ON A 24/64" CHOKE, TP 1250 PSIG, CP 2000 PSIG.

3/9/09 – FLOWED 1954 MCF, 15 BC & 552 BW IN 24 HRS ON A 24/64" CHOKE, TP 1100 PSIG, CP 1875 PSIG.

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. UTU0285A

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. CHAPITA WELLS

2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com

8. Lease Name and Well No. CHAPITA WELLS UNIT 1350-27

3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202

3a. Phone No. (include area code) Ph: 303-824-5526

9. API Well No. 43-047-50005

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface NENW 1229FNL 1509FWL 40.01087 N Lat, 109.43016 W Lon

At top prod interval reported below NENW 1229FNL 1509FWL 40.01087 N Lat, 109.43016 W Lon

At total depth NENW 1229FNL 1509FWL 40.01087 N Lat, 109.43016 W Lon

10. Field and Pool, or Exploratory NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 27 T9S R22E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 11/18/2008

15. Date T.D. Reached 01/24/2009

16. Date Completed ☐ D & A ☒ Ready to Prod. 03/04/2009

17. Elevations (DF, KB, RT, GL)* 4953 GL

18. Total Depth: MD 9420 TVD

19. Plug Back T.D.: MD 9365 TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL/CCL/VDL/GR

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2375		795		0	
7.875	4.500 N-80	11.6	0	9412		1920		950	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7889							

25. Producing Intervals / 26. Perforation Record 7173

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)	MESAVERDE	7173	9120	8950 TO 9120		3	
B)				8584 TO 8874		3	
C)				8300 TO 8532		3	
D)				8019 TO 8191		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8950 TO 9120	39,238 GALS GELLED WATER & 114,700# 20/40 SAND
8584 TO 8874	55,601 GALS GELLED WATER & 185,000# 20/40 SAND
8300 TO 8532	55,198 GALS GELLED WATER & 170,300# 20/40 SAND
8019 TO 8191	55,718 GALS GELLED WATER & 175,700# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/04/2009	03/15/2009	24	→	10.0	510.0	80.0			FLOWS FROM WELL

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
10/64"	1650	2100.0	→	10	510	80		PGW

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #68475 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
APR 01 2009
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	7173	9120		GREEN RIVER	1551
				BIRDS NEST	1705
				MAHOGANY	2201
				UTELAND BUTTE	4476
				WASATCH	4587
				CHAPITA WELLS	5180
				BUCK CANYON	5868
				PRICE RIVER	7095

32. Additional remarks (include plugging procedure):
Please see the attached page for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #68475 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name *(please print)* MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature (Electronic Submission) Date 03/30/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1350-27 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7694-7967	3/spf
7414-7635	3/spf
7173-7361	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

7694-7967	55,466 GALS GELLED WATER & 174,600# 20/40 SAND
7414-7635	45,781 GALS GELLED WATER & 144,500# 20/40 SAND
7173-7361	38,881 GALS GELLED WATER & 114,200# 20/40 SAND

Perforated the Lower Price River from 8950-52', 8991-92', 8995-96', 9001-02', 9033-34', 9038-39', 9042-43', 9086-88', 9110-11', 9119-20' w/ 3 spf.

Perforated the Middle/Lower Price River from 8584-85', 8596-97', 8605-06', 8650-51', 8668-69', 8683-84', 8711-12', 8750-51', 8761-62', 8777-78', 8821-22', 8873-74' w/ 3 spf.

Perforated the Middle Price River from 8300-01', 8306-07', 8324-25', 8346-47', 8366-67', 8380-81', 8386-87', 8413-14', 8419-20', 8477-78', 8504-05', 8531-32' w/ 3 spf.

Perforated the Middle Price River from 8019-20', 8026-27', 8069-70', 8089-90', 8113-14', 8120-21', 8129-30', 8139-40', 8154-55', 8166-67', 8180-81', 8190-91' w/ 3 spf.

Perforated the Upper/Middle Price River from 7694-95', 7707-08', 7718-19', 7724-25', 7770-71', 7831-32', 7881-82', 7908-09', 7913-14', 7955-56', 7965-67' w/ 3 spf.

Perforated the Upper Price River from 7414-15', 7421-22', 7429-30', 7466-67', 7473-74', 7495-96', 7565-66', 7596-97', 7606-07', 7611-12', 7630-31', 7634-35' w/ 3 spf.

Perforated the Upper Price River from 7173-74', 7180-81', 7186-87', 7208-09', 7215-16', 7227-29', 7300-02', 7311-12', 7325-26', 7360-61' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Middle Price River	7903
Lower Price River	8684
Sego	9194

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1350-27

API number: 4304750005

Well Location: QQ NENW Section 27 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078 Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035 Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
1,610	1,620	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1 _____ 2 _____ 3 _____
4 _____ 5 _____ 6 _____
7 _____ 8 _____ 9 _____
10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 3/26/2009

(5/2000)

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU0285A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 1350-27

2. Name of Operator
EOG RESOURCES, INC.
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-50005

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526
Fx: 303-824-5527

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 27 T9S R22E NENW 1229FNL 1509FWL
40.01087 N Lat, 109.43016 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

As per verbal approval with Nate Packer, Vernal BLM, a small evaporation unit was placed in the reserve pit on the referenced location. The unit will be in place until the pit is fully evaporated. Upon completion of evaporation, the pit will be reclaimed.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED
JUN 08 2009
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #70511 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name *(Printed/Typed)* MARY A. MAESTAS — Title REGULATORY ASSISTANT

Signature (Electronic Submission) — Date 06/04/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title — Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. — Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

API Well No: 43047500050000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: U-0285-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: CHAPITA WELLS

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: CWU 1350-27

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43047500050000

3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202

PHONE NUMBER: 435 781-9111 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1229 FNL 1509 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 27 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 2/4/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Pit closure

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The reserve pit on the referenced location was closed on 2/4/2010 as per the APD procedure.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
February 16, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Mary Maestas	303 824-5526	Regulatory Assistant
SIGNATURE N/A		**DATE** 2/16/2010

RECEIVED February 16, 2010